

With the statistics that I am enclosing the American farmer will not be able to stay in business. Therefore agriculture will not be one of America's major industries. We are fighting for our livelihood and need yours and Congress' help.

Does anybody care? Does anybody even know?

Regards,

DEE.

She also left me with a breakdown of their family farming operation, which I will place in the RECORD, but basically what it shows is their total production cost last year was \$375,000, including what they had to pay for running their land, the cost of producing corn, the cost of producing soybeans and wheat, however their total income was only \$317,430, leaving them with a negative income last year of \$57,570.

The question to be addressed is how today's or tomorrow's farmer is going to continue to produce food for a Nation in the world if he or she cannot purchase needed equipment and meet the costs of doing business. How many other Americans have to purchase equipment like combines which retail at \$211,000 minus dealer discounts equaling about \$168,000 less trade-ins on equipment. So that leaves them with about \$111,000 to finance for 10 years at 8.75 percent interest for an annual payment of \$17,204.

□ 1630

How will they continue to make that payment when their negative income prohibits them from showing any profit?

There is an increasing concentration throughout agriculture today. This concentration is severely distorting the market signals that farmers use to know what to produce, when to produce and how to make a profit. This concentration is hurting the marketplace and free competition. These market conditions are deeply hurting our family farms and threatening the economic stability of real communities across our country.

Dee asks, what can we do? First I say Congress, this Congress and this executive branch, must recognize the faces of rural America and understand the crisis out there. We must increase market transparency on prices and we should revisit freedom to farm and provide these farmers who provide our food with the safety net against these kinds of international market manipulations.

THERE IS A CRISIS ON THE AMERICAN FARM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Dakota (Mr. POMEROY) is recognized for 5 minutes.

Mr. POMEROY. Mr. Speaker, I want to commend my colleague, the gentleman from Ohio (Ms. KAPTUR), for the comments she has just made regarding the crisis on the American farm. Representing the State of North Dakota in this body, a congressional district that

has more production acres for agriculture than any other district in the House of Representatives, I can only affirm all too well the truth of what she is saying.

There is a crisis on the farm. If we do not act as a Congress and act quickly, the face of farming in this country will be changed. We will move from agriculture production primarily based with family farmers to vast corporate farms, changing forever the way our food is produced and a way of life in much of our country.

The critical element that has made the low commodity prices so particularly hard on our farmers relates directly back to a change made by this Congress in the farm bill that we are presently under.

In 1948, Congress acted to establish some measure of price protection for farmers, recognizing that there is going to be great volatility in the prices commodities will bring given any number of circumstances, but more recently it has been the ebb and flow of demand in the global marketplace.

The prior policy for farm programs has been that the United States Government has got the capacity to backstop individual farmers to protect them from the worst ravages of loss when prices fall through the floor. The last farm bill changed all that. We no longer afford our farmers any price protection. We have protected the Treasury of the Federal Government but we have left the fortunes of individual families out there on the farmsteads completely exposed to the ebb and flow of market prices.

The Asia financial collapse has absolutely destroyed commodity prices in this country. Small wonder. Japan, our number one export market for small grains, down 10 percent; Korea, number 4 market, off one-third, and so it goes.

So we have much more supply relative to market and prices' fall, and this time without a safety net. Small wonder in year two of the new farm bill its critical weakness was already glaringly exposed and exposed to such a dimension that in a bipartisan way we had to quickly get some money out of the Treasury and commit it to farmers in the shape of a disaster bill passed last fall in light of the national dimensions of the crisis in agriculture we had seen.

We have more to do this Congress. Do not think for one second that that disaster bill passed in October forestalls a total catastrophe in farm country without further action.

The first thing we must do is pass the supplemental. The White House has advanced an appropriations request that will afford absolutely critically needed loan money and guaranteed loan money available so that a number of farmers can get in the fields this spring that otherwise will not have operating capital to do so and that for others still they will be able to restructure their financial situation in such a way

that they will be able to cashflow, whereas otherwise they would not be able to cashflow.

Let me say something about cashflow, however. In my neck of the woods, given the commodities we produce, primarily small grains, one can get in today's market prices enough at the elevator to cover the costs that have been invested in that product. Therefore, lenders this spring are engaging in what is called equity lending; equity lending.

It does not sound all that bad but let me say what it means. It means that farmers are reducing their net worth. They are having to capitalize their assets because they cannot even make enough on the sale of their crop for what it takes to grow the crop.

We need to come back and visit this whole safety net for farming issue. We need to make some changes in the farm bill. It has fallen short and we now see where. Farmers need price protection. We need to make certain that there is a measure of price protection restored. Otherwise, we are going to be in this situation spring and fall every single year. Mark my words on this. We are going to have emergency supplemental bills in the spring and we are going to have disaster bills at harvest time trying to prop up America's farmers.

Let us not leave them hanging on the next action of Congress acting in such an ad hoc way every spring and every fall. Let us restore a safety net for America's farmers. Anything else will be catastrophic for the family farmers of this country.

THE RUMSFELD COMMISSION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. SCHAFFER) is recognized for 60 minutes as the designee of the majority leader.

Mr. SCHAFFER. Mr. Speaker, this special order hour by the Republican majority is one occasion upon which we will take the opportunity to discuss the issue of national missile defense, particularly as it relates to legislation that is expected to pass on this House floor tomorrow, certainly to be debated, and we will kick off that event with an unprecedented joint bipartisan meeting on the House floor, at which we will receive a briefing and a report from the commission known as the Rumsfeld Commission.

The Rumsfeld Commission is one which was commissioned by this Congress to look into the issue of national ballistic missile defense, to ascertain the complexity of the threat that looms over the United States of America from a potential intercontinental ballistic nuclear missile attack.

Most Americans are unaware that the United States possesses no capability or capacity to stop a single incoming intercontinental ballistic missile. We cannot stop it. If any of the rogue nations that we are concerned